

SECRET

25X1A

Approved For Release 2001/09/03 : CIA-RDP67B00820R000300170005-0

PRECONTRACT APPROVAL RECORD (PART ONE)	CONTRACTOR Lockheed Aircraft Corporation		CONTROL NO. [REDACTED]	
	CONTRACT NO. SP-1927		AMENDMENT NO. [REDACTED]	
Copy 7 of 3 3 September 64				
THIS CONTRACT APPROVAL RECORD CONTAINS A RECOMMENDATION SUBMITTED FOR CONCURRENCE OF THE UNDERSIGNED. CONCURRENCE IN THIS PRECONTRACT APPROVAL RECORD IS RECOMMENDED BY THE CONTRACTING OFFICER. BY CONCURRENCE, THE CHIEF, BUDGET AND FINANCE BRANCH, SIGNIFIES THAT SUFFICIENT FUNDS ARE AVAILABLE (NOT INCLUDING CONTINGENT & EXPOSURE) AND/OR HAVE BEEN ADJUSTED AS PROVIDED IN THIS DOCUMENT.				
TYPE OF CONTRACT				
<input type="checkbox"/> L.I. <input checked="" type="checkbox"/> F.P. REDETERM <input type="checkbox"/> CPIF <input type="checkbox"/> TECH REP <input type="checkbox"/> DEFINITIZED <input type="checkbox"/> FPIP <input type="checkbox"/> T&M <input type="checkbox"/> FISCAL YEAR <input type="checkbox"/> F.P. <input type="checkbox"/> CPFF <input type="checkbox"/> CALL TYPE				
FINANCIAL DATA				
CONTRACT VALUE \$ [REDACTED]		PREVIOUS OBLIGATION - PRIOR FY \$ [REDACTED]		PREVIOUS OBLIGATION - CURRENT FY \$ [REDACTED]
OBLIGATION BY THIS DOCUMENT				
DESCRIPTION, PROGRAM OR LINE ITEM		FISCAL YEAR	PROJECT	AMOUNT
ORD - DD/S&T 4162-1000-				
1000 Obligation Ref #140		1964	[REDACTED]	[REDACTED]
TOTAL THIS OBLIGATION		→ \$ [REDACTED]		
CONTINGENT UPON AVAILABILITY OF FUNDS				
EXPOSURE LIABILITY				
RATE		DATE	RATE	DATE
CPFF O/H RATES FIXED THRU			PRICING FORMULA FIXED THRU	
T&M RATES FIXED THRU			TECH REP RATES FIXED THRU	
NEGOTIATED APPROVAL		[REDACTED]		
UNIT		TYPED NAME	SIGNATURE	DATE
CONTRACTING OFFICER		[REDACTED]		9/4/64
BUDGET & FINANCE		[REDACTED]		8 SEP 1964
GENERAL COUNSEL		[REDACTED]		11 Sep 64
TECHNICAL REPRESENTATIVE		[REDACTED]		2 Sep 64
TECHNICAL REPRESENTATIVE		[REDACTED]		
CONTRACT SIGNATURE (Contracting Officer)		DATE	DATE MAILED	DATE DISTRIBUTED
[REDACTED]			15 SEP 1964	[REDACTED]

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PRECONTRACT APPROVAL RECORD (PART ONE)	CONTRACTOR LOCKHEED AIRCRAFT CORPORATION		CONTROL NO. [REDACTED]
	CONTRACT NO. SP-1927	AMENDMENT NO. 1	Copy <u>1</u> of 3
	11 April 1966		
THIS CONTRACT APPROVAL RECORD CONTAINS A RECOMMENDATION SUBMITTED FOR CONCURRENCE OF THE UNDERSIGNED. CONCURRENCE IN THIS PRECONTRACT APPROVAL RECORD IS RECOMMENDED BY THE CONTRACTING OFFICER. BY CONCURRENCE, THE CHIEF, BUDGET AND FINANCE BRANCH, SIGNIFIES THAT SUFFICIENT FUNDS ARE AVAILABLE (NOT INCLUDING CONTINGENT & EXPOSURE) AND/OR HAVE BEEN ADJUSTED AS PROVIDED IN THIS DOCUMENT.			
TYPE OF CONTRACT			
<input type="checkbox"/> L.I.	<input checked="" type="checkbox"/> F.P. REDETERM	<input type="checkbox"/> CPIF	<input type="checkbox"/> TECH REP
<input type="checkbox"/> DEFINITIZED	<input type="checkbox"/> FPIP	<input type="checkbox"/> T&M	<input type="checkbox"/> FISCAL YEAR
<input type="checkbox"/> F.P.	<input type="checkbox"/> CPFF	<input type="checkbox"/> CALL TYPE	
FINANCIAL DATA			
CONTRACT VALUE \$ [REDACTED]	PREVIOUS OBLIGATION - PRIOR FY \$ [REDACTED]	PREVIOUS OBLIGATION - CURRENT FY \$ -0- 25X1A	
OBLIGATION BY THIS DOCUMENT			
DESCRIPTION, PROGRAM OR LINE ITEM ORD - DDS&T 4162-1000 1000 Obligation Ref # [REDACTED] <i>140</i>	FISCAL YEAR 1964	PROJECT [REDACTED]	AMOUNT \$ [REDACTED] DEC
TOTAL THIS OBLIGATION $\xrightarrow{\text{Net Decrease}}$			\$ [REDACTED] DEC
CONTINGENT UPON AVAILABILITY OF FUNDS			
EXPOSURE LIABILITY			
RATE	DATE	RATE	DATE
CPFF O/H RATES FIXED THRU		PRICING FORMULA FIXED THRU	
T&M RATES FIXED THRU		TECH REP RATES FIXED THRU	
NEGOTIATOR APPROVAL		CD RECORDATION	
[REDACTED]		DATE <i>A-1A-66</i>	
UNIT	TYPED NAME	SIGNATURE	DATE
CONTRACTING OFFICER	[REDACTED]	[REDACTED]	<i>N/A</i>
BUDGET & FINANCE	[REDACTED]	[REDACTED]	15 APR 1966
GENERAL COUNSEL	[REDACTED]	[REDACTED]	<i>11/19/66</i>
TECHNICAL REPRESENTATIVE	[REDACTED]	[REDACTED]	<i>4/19/66</i>
TECHNICAL REPRESENTATIVE	[REDACTED]	[REDACTED]	
CONTRACT SIGNATURE (Contracting Officer)		DATE	DATE MAILED
DATE		DATE MAILED	DATE DISTRIBUTED

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PRECONTRACT APPROVAL RECORD
(PART TWO), PAGE 1

CONTRACT

SP-1927

25X1A

The services and equipment being procured by this Contract No. SP-1927 are in furtherance of the [REDACTED]

Program(s), the nature of which cannot be publicly disclosed for security reasons. The Contracting Officer therefore determines that this procurement must be accomplished by negotiations pursuant to the authority of Section 3(a) of PL 81-110 and Class Determination and Finding, OXC 2122, signed by the DDCI on 15 October 1961.

Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

The following comments describe the procurement hereby effected, the terms and provisions generally of this contract/amendment, and a resume of major issues negotiated:

This contract covers a feasibility study leading to a design competition for a final aircraft - optical system configuration. The airframe Contractors are Lockheed Aircraft Corporation and General Dynamics, Fort Worth, Texas. The optical companies are Itek, Perkin and Elmer, and Hycon Mfg. Company.

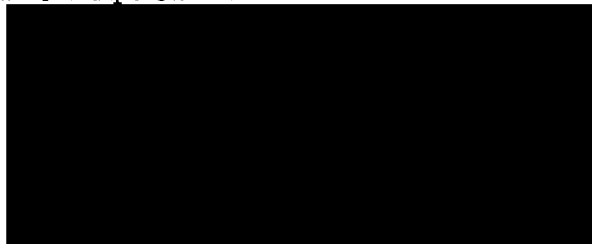
This company was given oral go ahead on 29 June 1964. The contract is backdated to 12 February 1964 to pick up preliminary cost incurred in response to technical consultation.

The contract price is [REDACTED] subject to retroactive price redetermination. Upward limitation provides for a maximum contract amount of [REDACTED]. The contract reads in part as follows:

"It is agreed that in the event the total of all costs are less than such contract price,..., the Contractor shall be allowed to retain the difference between the contract price and total costs up to a maximum of [REDACTED] of the contract price. In no event shall the final price exceed [REDACTED]"

A few examples of how this would work are as follows:

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PRECONTRACT APPROVAL RECORD
(PART TWO), PAGE 2

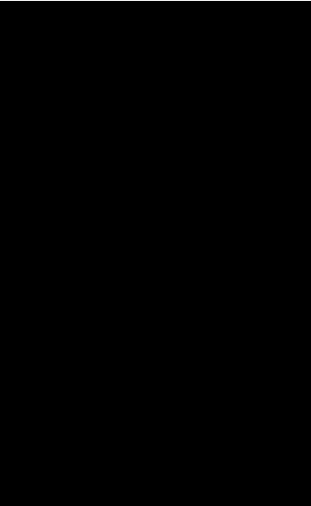


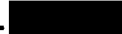
CONTRACT

SP-1927

The services and equipment being procured by this Contract No. _____ are in furtherance of the _____ Program(s), the nature of which cannot be publicly disclosed for security reasons. The Contracting Officer therefore determines that this procurement must be accomplished by negotiations pursuant to the authority of Section 3(a) of PL 81-110 and Class Determination and Finding, OXC 2122, signed by the DDCI on 15 October 1961.

Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

The following comments describe the procurement hereby effected, the terms and provisions generally of this contract/amendment, and a resume of major issues negotiated:

Contract Price	25X1A		25X1A
Profit Ceiling			
<u>Underrun Cost Samples</u>			
Target cost			
Underrun - 10%	25X1A		
Costs			
Maximum Profit			
Target cost			
Underrun - 15%	25X1A		
Costs			
Maximum Profit			

If the contract claimed target cost the final amount could be as follows:

Target costs	25X1A		25X1A
Maximum Profit			

Since this is a competitive contract, it is felt that the clause quoted above is acceptable for this purpose. The Contractor has been advised however that use of this clause is not acceptable under CT-22 where larger sums of money are involved.